

CNI accepts land settlement offer

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Tundra Times

Chugach Natives Inc., the last of the 12 Alaska Native Corporations to receive a land settlement, has voted to accept a federal offer of land for the CNI land settlement.

The CNI board of directors last weekend unanimously voted to accept a federal offer which was made last November, with some additions.

The settlement offer includes 48,677 acres in the Bering River Coal Field with an additional agreement to convey two rights-of-way to the coal fields; 47,750 in the Icy Bay area and 25,757 in the Carbon Mountain area.

The new offer includes 65,200 acres of lands around prior in-region selections made by the village corporations of Eyak and Tatitlek in the eastern Prince William Sound; 10,000 acres of oil and gas development rights near Katalla; and the right to acquire an additional 55,375 acres on the Katalla area

through exchange if they are ever made available for oil and gas leasing. Other smaller acreage is included in the 373,000-acre settlement.

The proposed settlement includes a \$12 million cash settlement which was proposed by the U.S. Forest Service as an alternative to conveying any forest service land to Chugach.

Chugach has agreed to not take conveyance to the surface estate of lands at Controllier Bay which was one of the Chugach Prior Selections because of the sensitivity of the area for fish and wildlife habitat.

Under the final settlement offer, Chugach agrees to give up selection rights to a "significant portion of its in-holdings" in the Wrangell-St. Elias National Park in the Bremner River drainage.

Chugach Chairman of the Board Edgar Blatchford said that the settlement gives Chugach its full acreage entitled. (Continued on Page Sixteen)

Chugach approves 373,000-acre settlement

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ment of 373,000 acres as provided by the Alaska Native Claims Settlement Act.

The settlement also includes a wide variety of resources, he stressed.

Patton Bay on Montague Island contains high-quality

timber and the Bering River Coal Field contains high quality coal.

The 10,000-acre Katalla area was the first oil producing field in the state and the Lattouche and Knight Islands are in the copper-lead-zinc belt.

Blatchford said the corpora-

tion also will receive prime recreational lands and lands of great historical importance to Chugach shareholders at Nukchek.

The settlement accord was reached after more than 10 years of haggling over which lands would be conveyed.

Early in the proceedings Chugach was offered lands which were characterized as "glaciers and mountain tops" and Chugach rejected those selections.

The matter was placed in the hands of the state, federal and CNI Chugach Lands Study Group more than 18 months ago and that group had been the focus of heated debate on more than one occasion.

The study group in December sent a report to President Ronald Reagan stating that no consensus could be reached by study group members. Reagan reported that to Congress and Chugach and the federal government has been negotiating since then.

Blatchford said the final settlement agreement was the best deal that Chugach could obtain given the mood of the

Congress and the change in Senate personnel. That change has brought to the Senate many people who were not acquainted with the Alaska Native Claims Settlement Act and consequently were not as willing to support Chugach land claims.

Despite the fact that Congress didn't have to vote on the settlement offer, that Congressional mood coupled with mounting financial problems on Chugach's part, led to more pressure to settle.

Chugach had no land to develop, therefore had no resources coming in from land development. It was dealt a double blow during the recent botulism outbreak in Alaska canned salmon and much of the Chugach 1981 salmon pack was impounded.

Chugach also was forced to sell half interest in one of its Anchorage buildings—the Sunshine Mall, to obtain necessary operating capital.

Blatchford said the \$12 million settlement will be used to help pay Chugach short-term debts, to start the corporation on development of its

land and to help pay back some of the costs of the land negotiations. He estimates that the land selection process has cost the corporation \$2.5 million in hard cash "but that doesn't include the money we lost because of lost opportunities," he adds.

Now that the meetings and negotiations are over, Blatchford said land conveyance could be signed within six months. He said that the Department of the Interior has placed the Chugach land conveyance as a top priority.

The agreement comes at a time when Chugach was negotiating with four Korean firms for development of the Bering River Coal Field and Blatchford said Chugach can now discuss that development with more assurance.

After three years of operating on a "crisis to crisis" basis and dealing only with the lands selection, Blatchford said the Chugach staff and directors don't intend to rush headlong into development.

"We will sit back and reflect on what we are doing," he said.